VZCZCXRO4116 PP RUEHCHI RUEHCN RUEHDT RUEHHM DE RUEHBK #1916/01 1721105 ZNY CCCCC ZZH P 201105Z JUN 08 FM AMEMBASSY BANGKOK TO RUEHC/SECSTATE WASHDC PRIORITY 3476 INFO RUEHZS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS PRIORITY RHEHNSC/NSC WASHDC PRIORITY RUEAIIA/CIA WASHINGTON DC PRIORITY RUCPDOC/DEPT OF COMMERCE WASHINGTON DC PRIORITY RHMFISS/DEPT OF HOMELAND SECURITY WASHINGTON DC PRIORITY

C O N F I D E N T I A L SECTION 01 OF 03 BANGKOK 001916

#### SIPDIS

E.O. 12958: DECL: 06/20/2018 TAGS: PREL PGOV PARM ETTC TH

SUBJECT: SCENESETTER FOR ACTING A/S MCNERNEY'S VISIT TO

THAILAND

Classified By: Political Counselor Susan M. Sutton, reasons 1.4 (b) and (d).

11. (SBU) SUMMARY: Ms. McNerney, Embassy Bangkok looks forward to your visit as an opportunity to advance our nonproliferation and security interests and to meet with key counterparts. In these meetings, you will have an opportunity to discuss ongoing cooperation on export control and nonproliferation, and to enhance senior level contacts and bilateral cooperation between the U.S. and Thailand. END SUMMARY.

## RETURN TO ELECTED GOVERNMENT

12. (SBU) Despite Thailand's peaceful transition to an elected government earlier this year, underlying tensions remain unresolved. In 2005, Prime Minister Thaksin Shinawatra won an overwhelming majority in the parliament, but was later accused of corruption, abuse of power and disrespect for the much-revered monarchy. In September 2006, following months of political protests and legal battles that led to a political stalemate over charges against Thaksin and his party, the Thai army launched a coup d'etat which many Thais accepted as a means to resolve the protracted political crisis. The victory by the pro-Thaksin People's Power Party (PPP) in the December 2007 election, however, marked a setback for supporters of the coup. The PPP was able to form a coalition government headed by its party leader, Samak Sundaravej, a former Governor of Bangkok and Minister of Interior. Social tensions remain, as Thailand has yet to establish a stable balance of political power among factions of the urban elite and the rural population. Former Prime Minister Thaksin claims publicly that he has retired from political life, although many believe he remains highly influential over government affairs. He is currently under investigation for alleged corruption.

# THAI-U.S. RELATIONS

13. (C) This year marks the 175th anniversary of United States - Thai relations. Thailand was the first country in Asia with which the U.S. established diplomatic ties. Thailand is a Non-NATO Treaty Ally - and Thai soldiers, sailors and airmen participated with us in the Korean and Vietnamese conflicts. Thailand sent soldiers to help our efforts in Iraq and Afghanistan, and in recent years Thailand has volunteered to participate in important peacekeeping missions, including in East Timor and Darfur. Thailand's willingness to allow the United States to use the Royal Thai Navy Air Field at Utapao as the hub for our regional tsunami assistance efforts was key to making 2004 tsunami relief operations a success, and greatly assisted relief flights to southern Burma which began after the recent devastating cyclone. Beyond emergency operations, U.S. forces regularly

access Utapao; primarily for flights serving operations in Iraq and Afghanistan.

### STRONG ECONOMIC TIES

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14. (SBU) American businesses have over \$23 billion in direct investment in Thailand, and the United States is Thailand's single largest export market and its second-largest foreign investor, after Japan. Although efforts during the Thaksin administration to negotiate a Free Trade Agreement with Thailand proved unsuccessful, the United States continues to receive preferential treatment thanks to our Treaty of Amity and Economic Relations. The Port of Laem Chabang is considered a "megaport" and ranks 20th globally in volume of container exports to the United States.

## NONPROLIFERATION ENGAGEMENT

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15. (C) We are cooperating with the RTG on a number of nonproliferation programs and Thailand is party to the Nuclear Nonproliferation Treaty (NPT), the Chemical Weapons Convention (CWC), and the Biological Weapons Convention (BWC). Thailand, however, lacks comprehensive strategic trade controls; we are engaging the RTG with our EXBS program to improve these controls. Areas of focus are the drafting of a comprehensive export control law and enhancing its enforcement capability, with emphasis on effective targeting and risk management techniques to identify high-risk cargo.

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16. (C) Among our nonproliferation goals, we hope to make progress with RTG leaders to facilitate Thai endorsement of PSI and in subscribing to the Hague Code of Conduct Against Ballistic Missile Proliferation (HCOC). Thai officials previously told us that they are concerned about endorsing PSI before Malaysia and Indonesia, Muslim ASEAN nations, but we have recently heard more encouraging reports on potential PSI endorsement. We have approached Thailand numerous times over the past several years to urge its subscription to the HCOC but have yet to receive a commitment from the RTG. The ongoing political tensions have tended to distract RTG attention from regional or global issues.

### LAW ENFORCEMENT COOPERATION

17. (SBU) USG technical and operational assistance programs are important contributors to the development of Thailand's law enforcement and judicial sectors. Law enforcement cooperation has ranged from DEA and Department of State opium and heroin interdiction programs with Thai counterparts in the 1960's, to a broad range of bilateral activities today that include legal reform and training programs. Two treaties have facilitated extraditions and mutual legal assistance in virtually every type of criminal case, including those involving terrorism, murder and violent crime, narcotics trafficking, child exploitation, fraud, money laundering, computer crime and intellectual property offenses. The US-Thai International Law Enforcement Academy (ILEA) in Bangkok opened in 1998 and has trained thousands of law enforcement officers from 13 East Asian nations and territories, as well as hundreds of Thai officials.

## REFUGEES

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18. (SBU) Thailand has a long history of providing refuge for persecuted people from neighboring countries. There are approximately 140,000 Burmese refugees in nine official camps along the Thai-Burma border. The United States accepted over 10,000 Burmese refugees for resettlement last year, and we expect to reach at least that level this year and for the

foreseeable future. There are also about 8,000 Lao Hmong in a facility in the northern Thai province of Petchaboon. The Thai have set up an internal, non-transparent screening process for this vulnerable group, which may include individuals (and their descendants) who assisted the United States during the Indochina war.

### SECURITY SITUATION

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- 19. (SBU) Soon after taking power in early 2008, the current ruling People's Power Party sought to amend Thailand's constitution, which was drafted by an assembly whose members were selected by leaders of the 2006 coup. Opponents of former Prime Minister Thaksin feared that such constitutional amendments would restore the political dominance of Thaksin and his former associates, and an activist group called the People's Alliance for Democracy (PAD) has for weeks held protests in Bangkok opposing these efforts to amend the constitution. The protests have been generally peaceful, although scuffles with counter-demonstrators have taken place.
- 110. (SBU) A decades-long insurgency led by ethnic Malay Muslims in southern Thailand has been increasingly active and violent since January 2004. There has been occasional violence by separatists in southern Thailand ever since the region's incorporation into Thailand in 1902, but the levels and viciousness of the current wave of attacks has been unprecedented. The root causes of the insurgency appear to be government neglect, human rights abuses including police abuse, and a lack of social justice combined with a latent desire for some form of self-determination. The southern insurgent groups do not appear to have significant ties to transnational terrorist groups or affiliates. To date, violence associated with the insurgency has not spread from Thailand's southernmost provinces, although Thai authorities have not ruled out the involvement of separatists in several unsolved bombings that took place in Bangkok in late 2006.

# INFLUENCE FROM REGIONAL ACTORS

111. (C) Thailand continues to feel the rising influence of China. While emphasizing the vital role of the U.S. in the region -- and Thailand's desire to intensify U.S. engagement -- Thai leaders also focus on developing stronger relations

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with China. While Thai links with the United States are deeper and far more apparent than Sino-Thai links, China's growing influence in Thailand is evident.

 $\underline{\ }$ 112. (U) We look forward to ensuring that your visit to Thailand will be a success. JOHN